



**STATEMENT OF PROCEEDINGS  
FOR THE REGULAR MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012**

**Thursday, January 19, 2012**

**10:30 AM**

AUDIO LINK FOR THE ENTIRE MEETING. (12-0448)

**Attachments:**    [AUDIO](#)

Present:            Chair Chough, Vice Chair Jordan, Member Ollague and Member Glasgow

Absent:            Member Gallucci

Call to Order. (12-0206)

**The meeting was called to order by Chair Genie Chough at 10:52 a.m.**

**I. ADMINISTRATIVE MATTER**

1. Approval of minutes from the meeting of December 15, 2011. (12-0076)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**II. BOARD POLICIES**

2. Recommendation to approve amendments to Board Policy No. 3.100 - Flag Policy and extend the sunset review date to November 19, 2016 (12/9/11). (12-0060)

**On motion of Lori Glasgow, and by common consent, this item was continued to the next meeting to allow the Executive Office time to amend Page 4 of the policy as follows:**

**Such Others: As ordered by Resolution of the Board of Supervisors or if incident occurs between meetings, at the discretion of the Chair or Mayor.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

3. Recommendation to approve amendments to Board Policy 5.100 - Sole Source Contracts and extend the sunset review date to February 6, 2016 (12/19/11). (12-0064)

**Genie Chough stated that agenda item 9 was an older version of this policy and replaced it with the updated version in this agenda item.**

**On motion of Louisa Ollague, seconded by Dorinne Jordan, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

### **III. OLD BUSINESS**

4. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 5.010 - MWBE Utilization Goal for County Contracts (8/10/11) (Continued from meetings of 8/18/11, 9/15/11, 10/20/11, 11/17/11, and 12/15/11). (11-3718)

**Dorinne Jordan shared with the members that her office would like to propose the program name be “Diversity Contracting” in place of the recommendation provided by the Internal Services Department.**

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

5. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 5.130 - Contracting With Minority/Women/Disadvantaged/ Disabled Veteran Owned Firms (8/25/11) (Continued from meetings of 9/15/11, 10/15/11, 11/17/11, and 12/15/11). (11-4052)

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

6. Recommendation to approve amendments to Board Policy No. 4.030 - Budget Policies and Priorities (10/19/11) (Continued from meeting of 11/17/11 and 12/15/11). (11-4864)

**On motion of Louisa Ollague, seconded by Lori Glasgow, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

7. Recommendation to approve amendment to Board Policy 6.020 - Chief Information Office Board Letter Approval (11/8/11) (Continued from meeting of 11/17/11, and 12/15/11). (11-4984)

**Peter Loo, Chief information Office (CIO) stated that there are no additional costs associated with the CIO analysis and informed the members that the analysis was originally drafted as a way to objectively inform the Board on Board contracts and IT related items. As a result of feedback from the Board members and various departments, improvements were made to the process to more clearly define the business analysis, technical analysis and the risk analysis for all Board IT related items and are included in the proposed draft.**

**At the request of Lori Glasgow, Mr. Loo agreed to amend the Board letter and include that the Policy change will result in no additional costs to the County.**

**At the request of Louisa Ollague, Mr. Loo will include the past performance of contractors within the County in the risk analysis section.**

**On motion of Louisa Ollague, seconded by Lori Glasgow, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

8. Recommendation to approve proposed Board Policy 6.200 - Information Sharing and Management Policy (11/8/11) (Continued from meeting of 11/17/11 and 12/15/11). (11-5005)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

9. Recommendation to approve amendments to Board Policy No. 5.100 - Sole Source Contracts and extend the sunset review date to February 6, 2016 (12/2/11) (Continued from meeting of 12/15/11). (11-5384)

**This item was taken off calendar, see agenda item 3 for details.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

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10. Department of Children and Family Services - Review of Emergency Assistance Payments (Manual Warrants) (11/7/11) (Continued from meetings of 11/17/11 and 12/15/11). (11-4957)

**On motion of Louisa Ollague, seconded by Lori Glasgow, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

11. City of Compton - Compton CareerLink - A Community and Senior Services' Workforce Investment Act Youth Program Provider - Contract Compliance Review - Fiscal Year 2010-11 (12/2/11) (Continued from meeting of 12/15/11). (11-5383)

**Don Chadwick, Auditor Controller (A-C) informed the members that Community and Senior Services will be attending the next Audit Committee meeting.**

**On motion of Louisa Ollague, seconded by Lori Glasgow, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

12. Neighborhood Legal Services of Los Angeles County - A Department of Public Social Services Domestic Violence Supportive Services Program Provider - Contract Compliance Review (12/2/11) (Continued from meeting of 12/15/11). (11-5382)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **IV. REPORTS**

13. Pacific Clinics - A Department of Public Health and Mental Health Contract Services Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (12/9/11). (12-0057)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

14. Harbor View Behavioral Health Center (Sunbridge Harbor View Rehabilitation Center, Inc.) - A Department of Mental Health Service Contract Provider – Follow-Up Review (12/9/11). (12-0059)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

15. Department of Beaches and Harbors - Status of Completed Revenue Agreement Audits (12/15/11). (12-0061)

**Andrew Hong, Department of Beaches and Harbors explained the main reason for the record keeping issue that resulted in monies owed to the County was due to misclassification of the sales category.**

**Jim Schneiderman, A-C provided an example of a sales category misclassification.**

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

16. Proposition A Contract Review - Probation Department Clerical Services at Field Area Offices (Board Agenda 12/20/11, Item 45) (12/16/11). (12-0062)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

17. Los Angeles Gay And Lesbian Community Services Center - A Department Of Public Health HIV/AIDS Care And Prevention Service Provider - Fiscal Review (12/2/11). (12-0066)

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

18. Alcott Center for Mental Health Services - A Department of Mental Health Service Contract Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (12/30/11). (12-0181)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

19. AIDS Service Center, Inc. - A Department of Public Health HIV/AIDS Care Service Contract Provider - Fiscal Review (12/30/11). (12-0182)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

20. Southern California Alcohol and Drug Programs, Inc. - A Department of Public Social Services Domestic Violence Supportive Services and Community Service Block Grant Programs Provider - Contract Compliance Review (12/30/11). (12-0183)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

21. Watts Labor Community Action Committee - A Community and Senior Services Workforce Investment Act Program Provider - Contract Compliance Review - Fiscal Year 2010-11 (12/30/11). (12-0189)

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

22. Dubnoff Center for Child Development - A Department of Mental Health Service Contract Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (1/9/12). (12-0280)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

23. Department of Parks and Recreation Purchasing and Contracting Review (1/9/11). (12-0281)

**On motion of Genie Chough, and by common consent, there being no objection, this item was continued and staff was instructed to invite a representative from the Department of Parks and Recreation to attend the next meeting and discuss the report.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

24. Department of Public Social Services - State Mandated Financial and Compliance Audits of Program Contracts - Fiscal Years 2007-08 through 2009-10 (1/10/12). (12-0282)

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

25. Department of Health Services' Olive View-UCLA Medical Center Payroll/Personnel Review (1/10/12). (12-0283)

**Dorinne Jordan requested staff invite a representative from the Department of Health Services' Olive View-UCLA Medical Center to attend the next meeting to discuss the report.**

**Louisa Ollague requested the Auditor-Controller provide a chart chronicling each of the reviews to help show the trends and a chart summarizing the Departments' of Mental Health and Health Services internal audit reviews.**

**On motion of Dorinne Jordan, seconded by Louisa Ollague, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **V. DISCUSSION ITEM**

26. CCMD Pilot Project. (11-4618)

**Don Chadwick, A-C advised the members that the Countywide Contract Management Division (CCMD) pilot project provides risk-based monitoring of County contracts.**

**Aggie Alonso, A-C provided a brief update and informed the members that a two part risk assessment and plan to review high risk departmental contracting operations including their monitoring functions and a listing of high risk contractors would be presented at the next meeting. The plan includes a course of action to review these departments to determine compliance with internal policies and procedures.**

27. Fiscal Year 2011-2012 Cash Flow Projection. (12-0063)

**John Naimo, A-C stated that the most recent fiscal year was the 4th consecutive year that the cash position has gone down. The hospitals continue to require high amounts of cash flow; however this has leveled out in the past year and the amount is looking toward decreasing in the current fiscal year. The County continues to have high reserves set up for long term accounts receivables with SB90 and Cost-Based Reimbursement Clinics (CBRC) as the two largest categories. A third of CBRC will be collected next month. A new long term accounts receivable was created in reserves from the State falling behind in payments to the Sheriff's department for contracted prisoner maintenance services.**

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**The accounts receivable for the General Fund and Hospital Fund have not shown much change in the last year.**

**The current year's cash flow is doing well and we are looking to upgrade the year-end projection to a higher amount.**

**Mr. Naimo stated that accounts receivable is not usually this similar from year to year.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**VI. MISCELLANEOUS**

- 28.**    Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting). (12-0077)

**There were none.**

- 29.**    Public Comment. (12-0078)

**No members of the public addressed the Committee.**

- 30.**    Adjournment. (12-0079)

**There being no further business to discuss, the meeting adjourned at 11:29 a.m.**